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SUBJECT: UNESCO: ADMINISTRATION COMMISSION: PROGRAM AND BUDGET FORMAT OK'ED, DESPITE DISSATISFACTION

¶11. Summary. The Administrative Commission of UNESCO's General Conference considered budget, administrative and personnel issues. It approved the administrative items in the two-year overall program and budget after debate focused on the budget's unsatisfactorily long and complex format. Member State interventions often invoked the need for reform, but decisions generally continued the status quo, sometimes with a provision that changes could be made during semi-annual meetings of UNESCO's Executive Board. End summary.

¶12. The Administrative Commission met twelve times October 4 to 13. Items it considered generally fell within the category of budget preparation, financial and administrative costs and reforms, and personnel matters.

¶13. The length and complexity of the budget documents received unfavorable review. USDEL noted that the budget should be a policy document, but that the costs of developing normative instruments had not been reflected in the last budget and that the costs of translating proceedings into six languages were not stated in this proposed budget. Delegations generally agreed that the budget should highlight major expenses of this nature. The decision of the Administrative Commission generally approves the present budget format, it does allow the Executive Board to direct changes.

¶14. Following up on discussions at the Executive Board, the USG and others stressed that expenses should be paid within the year time limit set forth in UNESCO's Official Financial Regulations and the GC decision repeats the Board's concerns.

¶15. The USG, supported by Great Britain and Nordic representatives, succeeded in placing some limits (none now exist) on the DG's power to engage in external borrowing (DG must exhaust internal borrowing possibilities first and must report any external borrowing to the next meeting of the Executive Board).

¶16. Thanks to USG insistence, the Administrative Commission's vote to approve the budget applied only to the administrative sections, rather than to the whole budget, as originally proposed.

¶17. USG and others noted strongly that UNESCO must decide whether proposals to be funded through extrabudgetary contributions are consistent with UNESCO priorities before accepting the funding. USG and others pointed out that regular budget now supports administrative expenses associated with some, but not all, extrabudgetary projects. The Secretariat conceded inconsistency in determining administrative charges for extrabudgetary accounts and noted that it is preparing a comprehensive report on this for the Executive Board.

¶18. Personnel policies were discussed in the presence of staff association leaders. USG insisted that the decision noting progress in the reform of the personnel system pick up on the emphasis in DDG Barbosa's presentation on changing attitudes within the Secretariat. As a result, the first paragraph of the decision now refers to the "profound changes" necessary within the Secretariat. USG joined other Member States in questioning the apparently ad-hoc decisions concerning whether to offer a buy-out to employees.

¶19. After painstaking debate, a working group recommended that some countries that had not paid their contributions nevertheless be allowed to vote, given circumstances beyond their control. Iraq was included in this group, which is consistent with USG policy.

¶10. Note. Many delegations praised USG interventions as thoughtful and helpful. One UNESCO long-timer said that the USG rep interventions had managed to change the course of the debate on several occasions. End Note.

Koss